OFFICE OF GENERAL COUNSEL

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Office of the General Counsel Federal Elections Commission 999 E Street, N.W. Washington D.C. 20463

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Re: Complaint against Dusty Johnson (H8SD01055) and Friends of Dusty Johnson (C00628917)

January 25, 2018

To whom it may concern:

I, Lora Hubbel, , Sioux Falls, SD, files this complaint with the Federal Election Commission in accordance with the provisions of 52 USC § 30109(a)(1) in the belief that Dusty Johnson (H8SD01055) and Friends of Dusty Johnson (C00628917) violated provisions of the Code of Federal Regulations.

Facts:

During the third quarter of 2017, Candidate advertised on the website of South Dakota War College and Pat Powers at URL http://dakotawarcollege.com/. The advertisement had a proper disclaimer to demonstrate the Committee paid for the space. Other similar candidates have also advertised on this website, including John Thune (\$2\$D00068), Krisi Noem (HOSD00054) and Mike Rounds (\$4\$D00049).

The Candidate's Committee filed a Third Quarter 2017 Report on October 15, 2017. The Report shows no disbursement for any web advertising expense to cover the costs associated with the public communication on http://dakotawarcollege.com/. Further, there is no in-kind contribution to cover the cost of the advertisement. Other similar advertisements by the aforementioned candidates were reported in Third Quarter 2017 Reports by Friends of John Thune (C00409581), Kristi for Congress (C00476853) and Rounds for Senate (C00532465).

Applicable Regulations:

11 CFR § 100.94, 11 CFR § 100.155. and 11 CFR § 100.26 - Internet Volunteer Activity Exception allows an uncompensated individual to engage in certain voluntary Internet activities for the purpose of influencing a federal election without resulting in a contribution or an expenditure or reporting requirements with the FEC except in cases of Paid Web Communications. In cases of Paid Web Communications, when an individual or group of individuals pays a fee to place a communication on another person or entity's website, the communication is considered general public political advertising, and thus qualifies as a public communication. As such, it may require a disclaimer and/or reporting, and may count as a contribution and/or expenditure.

- 11 CFR § 104 Disbursements and in-kind contributions must be itemized when related funds aggregate more than \$200.00 in an election cycle.
- 11 CFR §100.52 and 11 CFR § 100.111 Services are valued at the prevailing commercial rate at the time the services are rendered.

Conclusion:

Although one may argue this communication was Internet Volunteer Activity, it falls under the exception to that rule. The advertisement was placed in a location used for paid advertising, similar to other candidates. Further, the Candidate's advertisement stated that it was paid for by the Candidate's Committee. These two facts demonstrate this was a public communication subject to disclosure requirements.

Since this public communication must be disclosed, the Third Quarter 2017 Report should have it listed as a disbursement paid by the Committee or an in-kind attributed to Pat Powers if the aggregate exceeded \$200.00. Fair market value, as we have seen from other committees advertising on this website, would put this expenditure over \$200.00.

Due to the Committee failing to disclose this disbursement for advertising, there has either been an undisclosed in-kind contribution or an undisclosed public communication disbursement. Either way, there has been a clear violation of the Code of Federal Regulations.

I appreciate your attention and thank you for your consideration in this matter.

Lora Hubbel

Signed and sworn to before me this 20 day of January

Enclosures: Printscreens of Oct 5,2017 and Gan 25,2018
of dakdawarcollege.com

Posted October 5, 2017



